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Burma

Grain and Feed

Pulses Annual

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Report Highlights:

Burma's beans and pulses production is forecast to increase in 2002/03. As a result, exports of pulses are also expected to reach 1.0 MMT in 2002, making Burma the second largest exporter of beans and pulses in the world.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

Bangkok [TH1], BM

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Executive Summary

Post forecasts that Burma's beans and pulse production will reach 2.7 million metric tons in 2002/2003, with a substantial increase in the Mung bean (Matpe), Pigeon pea/Toor whole (Pesingon) and Green Mung beans (Pedesein /Pedi-shwe-war). The growth in production is due entirely to an anticipated increase in the harvest area, and a return to more normal weather patterns. Total harvested area is forecast at 7.7 million acres (3 million hectares).

Pulses production in 2001/2002 year is estimated to be 2.5 million metric tons. Although planted area was up, the yield per acre was affected due to unfavorable weather conditions, untimely rain, unidentified pest infestation and insufficient inputs.

Since beans and pulses can easily be fitted into the existing cropping system as mono-cropping, double cropping or mixed cropping, its sown area has increased tremendously, with the introduction of a free market system in 1988. Starting from 1987-88, the sown area of beans and pulses has increased gradually at the rate of 10 percent annually. The area increase reflects farmers' response to substantial growth in private sector exports. The Government of Burma's (GOB) drive to increase seeded area to 2.6 million hectares by the year 2001 has been met due to farmers' increased freedom in choosing their crops. With the prevailing market situation, where prices of pulses are more attractive, with less cost per acre compared to paddy, and less intervention by the GOB, export oriented pulses such as Mung bean, Green Mung bean, Pe-di-shwewar/Pedesein)and Pigeon pea /Toor whole (Pesingon) seeded area has been expanding without much GOB input. Beans and Pulses also remain the commodity group that has fewer restrictions on the border trade.

Burma is forecast to export about one million metric tons of pulses in 2002 and exported 655,400 metric tons in 2000 and 989,100 metric tons in 2001 according to GOB data. In CY 2000, Matpe constituted 32 percent, Pigeon pea 30 percent, Pedesein (Green gram/Mung Bean) 26 percent, and other Pulses constituted 12 percent of the total exports. In CY 2001, Pigeon Pea (Toor whole) constituted 41 percent, Matpe 31 percent, Pedesein 16 percent and other Pulses constituted 12 percent of the total exports. Butter beans (Lima beans), Chick peas, Black eye beans, Small white beans, Bamboo beans, Kidney beans' exports are included in other Pulses. Unlike rice, the export of beans and pulses is not controlled by a government monopoly. Private exporters compete in the market with Myanmar Agricultural Produce Trading (MAPT), an agency of the Ministry of Commerce that also procures beans and pluses for exports. However, it was learned that MAPT will not be involved in purchasing beans and pulses from the farmers in FY 2002/03.

The export of chick peas/gram however is still monopolized by the GOB. Nevertheless, private traders are allowed to export through MAPT, under a new trade scheme implemented by the Ministry of Commerce.

The government is encouraging the production of a more diversified basket of agriculture products for export including beans and pulses. It would like to see an expansion of the beans/pulses area in the next three years and for exports to increase significantly, for Burma is designated as a leading country among other ASEAN countries in growing beans and pulses. Nevertheless, it will also depend on the government policy and its imposition on the beans and pulses export trade. Beans and pulses have become the major foreign exchange earner. The GOB also plans to increase the beans and pulses area through land reclamation projects carried out by private entrepreneurs in Upper and Lower

Burma. Since about 65 percent of the total beans and pulses are sown in a cold season with the residual moisture left from the rainy season, it was the most feasible cash crop to grow in the reclaimed wet land areas after the water recedes in October.

According to the GOB, Burma has become the second largest exporter of beans and pulses in the world and aims to penetrate high-end markets such as Japan and Middle Eastern countries for Green Mung beans/Green Gram/Pedesein which are suitable for bean sprouts.

Burma exported 8,421 metric tons of Butter beans (Lima beans) and 1,154 metric tons of Sultani/pya (Red Lima beans) in CY 2000 and 4,932 metric tons of Butter beans and 1,193 metric tons Sultani/pya (Red Lima beans) in CY 2001 to Japan and other European countries.

PSD Table						
Country	Burma					
Commodity	Beans				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2000		01/2000
Area Harvested	2400	2600	2700	3000	3100	3100
Beginning Stocks	0	0	0	0	0	0
Production	1650	1880	2000	2550	2700	2700
TOTAL Mkt. Yr. Imports	0	0	0	0	0	0
Jul-Jun Imports	0	0	0	0	0	0
Jul-Jun Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	1650	1880	2000	2550	2700	2700
TOTAL Mkt. Yr. Exports	700	655	750	989	1000	1000
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	950	1225	1250	1561	1700	1700
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	1650	1880	2000	2550	2700	2700

Production/Crop Assessment

Post's forecast for Burma's 2002/03 beans/pulses production will be 2.7 million metric tons with total harvested acreage of 3 million hectares on an assumption of normal weather patterns in mid-late 2002. The high price of inputs will be the major factor limiting higher yields. Although harvested area increased in 2001/02 year, total production is estimated at 2.5 million metric tons, as yields suffered due to untimely, heavy rains at the seeding period and unusual pest infestation before the harvest. Farmers said that the unidentified pest is resistant to pesticides, and destroyed the whole crop, leaving nothing for farmers to harvest.

Burma grows eighteen varieties of pulses for domestic consumption and export. Out of these eighteen-varieties, Mung bean/Black gram (Matpe), Green gram, Chick pea, Pigeon pea, Soya bean and Cow Pea are the six major varieties in production. Among these Mung beans (Matpe) Green gram (Pedesein), Pedi-shwe-war, Soya bean (Soy bean), Gram, Chick pea, Cow pea (Pelun), Pigeon pea (Pesingon/Toor whole), Black eyed bean (White Pelun) and Garden pea (Sadawpe), Butter beans (Lima beans) are the major export-oriented varieties.

Beans and pulses are grown throughout Burma, but 90 percent of the total area is concentrated in the Irrawaddy, Magwe, Pegu, Mandalay, Sagaing and Rangoon Division. In 2001/02, these crops constituted about 19 percent of the total sown acreage according to government data. The main emphasis in 2002/03 is on the increased area of Mung beans (Matpe) and Green mung bean (Pedesein) and Pigeon pea/Toor whole (Pesingon).

Beans and Pulses production are entirely dependent on monsoon rains. Cultivation of these crops is determined by the status of moisture in the soil. In Burma, pulses and beans are grown in the early/late-monsoon seasons and also in the cold season as double cropping after the monsoon-season paddy. Monsoon production constitutes 31 percent of the total, while the cold season production constitutes 69 percent.

Pedesein or Mung Bean is grown as a late monsoon crop and also in the cold season. It is planted throughout all the States and Divisions except Eastern and Northern Shan States. It constitutes about 28 percent of the total beans and pulses area. The main market is India.

Mung beans or Matpe is grown in the late monsoon and cold seasons. It is planted in Sagaing, Tenessarim, Pegu, Magwe, Mandalay, Irrawaddy, Rangoon divisions, Mon and Rakhine States. It constitutes 21 percent of the total beans and pulses area. The main market is India.

Pigeon pea or Toor Whole is a one season crop and is planted in Sagaing, Mandalay, Magway Division and in Kayah, Kayin and Northern/Southern Shan States. It is seeded during the rainy season in July-August and harvested in January - February. It constitutes 11 percent of the total beans and pulses area. The main market is India.

Butter beans (Lima beans) (*Phaseolus Lunatus*) is seeded in the late monsoon and cold seasons. It is mostly grown in Sagaing, Western part of Pegu, Magway, Mandalay, Irrawaddy divisions and Mon State. 49 percent of the Butter beans area is seeded in Mandalay and constitutes only 2 percent of the total beans and pulses seeded area. Another variety of beans also known as Sultani/Pya bean (*Phaseolus Lunatus*), also termed Red Lima bean, is grown in Sagaing, Pegu, Magwe, Mandalay, and Irrawaddy division and constitutes only 3 percent of the total beans and pulses seeded area. Nevertheless, if we consider these two crops as Lima beans, they constitute 5 percent of the total beans and pulses area. The main markets are Japan and European countries.

Soya beans are seeded in the pre-monsoon and cold seasons in Chin, Kachin, Kayah, Karen, Mon, Shan States, Sagaing, Pegu, Mandalay and Irrawaddy divisions. It constitutes 4 percent of the total beans and pulses area. Burma's soya beans are low in oil content and are not used for extracting oil. It is mostly used for soya bean paste and snacks.

Yields are generally in the 0.68-0.70 metric tons per hectare range. Since pulses are mainly sown in the cold season, relying on the residual soil moisture, or in the rainy season with the onset of the monsoon rain, timely seeding is crucial for the success of the crop. In 2001/02, unusual early and late heavy rains before the harvest, and an unknown pest infestation affected the yields. An average yield per hectare in 2001/02 was somewhat slightly lower compared to 2000/01. An increase in production was primarily the result of increased seeded acreage, as there was a decrease in the yield per hectare.

Consumption

The Burmese consume beans and pulses as a supplementary dish in their diet to rice. It is also a main source of protein in the diets of poorer consumers. Some varieties are consumed as snacks. Although more than eighteen varieties of beans and pulses are produced in Burma, not more than ten varieties are locally utilized. Most utilized beans and pulses are chick pea, gram, soya bean, pigeon pea, green gram, black gram, lablab bean, red lentil, suntani, suntapyar (red lima beans) and gear beans. They are consumed as fried snacks, powdered, boiled or in soup form, pea noodles and

beans sprouts. People from Central Burma consume more beans and pulses than people from the other parts of the country, partly due to a lack of green vegetables in the hot, humid summer season. In the Shan States, soya beans are mostly consumed as soya bean paste or curd. Burma is still experimenting on a variety of soya bean from which oil could be extracted.

Trade

Burma's beans and pulse's exports are forecast to reach one million metric tons in 2002, up from 989,100 metric tons in 2001. Exports in 2000 totaled 655,400 metric tons. The principal pulses exported in 2001 were Mung bean (Matpe), Pigeon pea/Toor whole and Green Mung beans (Pedesein), constituting about 72 percent of the total exports. India was the major buyer of Burma's beans and pulses in 2001, taking 85 percent of the total exports and is likely to continue as the major recipient in the future. Beans and pulses are a major agricultural export for the country.

After the decentralization of the economy in 1989, the private sector was allowed to export. The Ministry of Commerce (formerly known as the Ministry of Trade) issues export licenses for private companies. Exports of beans/pulses are not restricted except for exports of chick peas/ gram, which are monopolized by the government. It is also one of the commodities that could also be traded in border trade. Reliable Sources estimate that about 10 percent of the total regular trade went through border and sea-borne trade.

TRADE MATRIX 2000				
Country:	Burma		Units:	M.T.
Commodity:	Beans			
Exports for			- IMPORTS FOR 2000 FROM:	
- U.S.....				
- Other				
Africa	110			
Belgium	376			
Bangladesh	99			
Bahrain	22			
China	295			
Egypt	2,962			
Germany	342			
Indonesia	32,678			
Italy	322			
Israel	40			
India	418,510			
Jordan	40			
Japan	15,166			
Korea	5,196			

Malaysia	4,729			
Mauritius	66			
Philippines	7,741			
Pakistan	39,527			
Rotterdam	1,790			
Romania	22			
Saudi Arabia	44			
Singapore	5,557			
Sri Lanka	4,175			
Timor	264			
U.A.E.	10,039			
Uruguay	126			
United Kingdom	1,552			
Total	551,790			
*not covered	103,610			
Grand Total	655,400			

Note: Butter beans (Lima Beans) comprise 2 percent of the total beans and pulses exports and 88 percent of total Butter beans exports were destined for Japan.

Red Lima beans (Sultani/pya) comprise 0.21 percent of the total beans and pulses exports and 66 percent of total Red Lima beans exports were destined for Korea.

TRADE MATRIX 2001				
Country:	Burma		Units:	M.T.
Commodity:	Beans			
Exports for			- IMPORTS FOR 2001 FROM:	
- U.S.....	22			
- Other				
Australia	15			
Africa	960			
Belgium	801			
Bangladesh	67			
Bahrain	22			
Canada	264			
Dubia	396			

Egypt	5,015			
Greece	42			
Germany	1,600			
Hong Kong	737			
India	692,565			
Indonesia	2,471			
Italy	980			
Israel	156			
Japan	10,717			
Korea	2,422			
Lithouwen	453			
Lithuania	217			
Latvia	22			
Malaysia	3,910			
Mauritius	22			
Netherlands	2,238			
Pakistan	50,887			
Portugal	219			
Philippines	7,193			
Russia	43			
Spain	22			
Singapore	3,777			
Sri Lanka	9,719			
United Kingdom	2,223			
U.A.E.	4,992			
Uruguay	42			
Venezuela	110			
Total	805,341			
*Others not covered	183,719			
Grand Total	989,060		Total	

Note: Butter beans (Lima Beans) comprise 0.16 percent of the total beans and pulses exports and 84 percent of total Butter beans exports were destined for Japan.

Red Lima beans (Sultani/pya) comprise 0.15 percent of the total beans and pulses exports and 54 percent of total Red Lima beans exports were destined for Pakistan.

Policy

Due to an unsteady trend in rice exports over the past several years, Beans and Pulses have become the major foreign exchange earner for the government of Burma (GOB). Previously, the Myanmar Agricultural Produce Trading (MAPT), an agency of the Ministry of Commerce, obligated the Mung beans, Green gram and Pigeon peas-growing farmers to sell 2 baskets per acre (0.066 metric tons per acre) at the MAPT fixed price at Kyat 2,000 per basket (0.033 metric tons), which is about 45 percent less than the prevailing market price but it was learned that MAPT will no longer be involved in purchasing beans and pulses from the farmers in FY 2002/003.

Burma is designated among the other ASEAN Countries as a leading country in growing beans and pulses. The government has selected special zones to grow Mung beans, Green gram and Pigeon peas and has targeted a yield of 15 baskets per acre (0.74 metric tons per hectare). Special zones are selected to grow Mung bean, Green gram and Pesingon. Pegu and Ayeyarwaddy divisions for Mung Bean, Pegu and Yangon divisions for Green gram and Pegion Pea (Pelsingon) in Sagaing, Mandalay and Magwe Divisions. Myanma Agriculture Service, an agency of the Ministry of Agriculture and Irrigation, will disseminate the technical know how, and provide the necessary inputs to farmers in these above-mentioned special zones to attain the targeted yields.